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CALIFORNIA INTEGRATED WASTE MANAGEMENT BOARD



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March 18, 2009

Dr. Bette Hinton, Director
Yolo County Health Department
137 N. Cottonwood Street, Suite 2400
Woodland, CA 95695

RE: FINAL AUDIT REPORT – Tire Enforcement Assistance Grants:
TEA9-03-0007, TEA11-04-0019, and TEA-12-05-0037

Dear Dr. Hinton:

Enclosed is the final report on our audits of Yolo County's Waste Tire Enforcement Assistance Grants TEA9-03-0007, TEA11-04-0019, and TEA-12-05-0037, awarded for the periods June 30, 2004, through June 30, 2007. Our audits included a review of receipts, expenditures, internal controls, and compliance with the grant agreement provisions.

CIWMB congratulates the County on the results of these audits. No findings resulted from this review of the County provided information. Although this review was selective and any result cannot be applied with certainty to the County's grant program as a whole, we believe that this audit report is reflective of the County's proper grant administration. This final report is intended for your use only.

If you have any questions regarding this report, please contact George Mendoza, Audit Manager, at (916) 324-1358 or gmendoza@ciwmb.ca.gov.

Sincerely,

Susan Villa, Branch Manager
Fiscal Services Branch
California Integrated Waste Management Board

(Over)

file

Dr. Bette Hinton, Director
November 7, 2008
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Enclosure

cc: Jeff Pinnow, Supervising Hazardous Materials Specialist, Yolo County Environmental
Health
Jim Lee, Branch Manager, Tire Facilities Operations and Evaluations Branch, Waste
Compliance and Mitigation Program, CIWMB
Barbara Strough, Supervisor, Tire Facilities North, CIWMB
Sophia Mercado, Tire Facilities North, CIWMB
CIWMB Audits and Evaluations Unit File

A GRANT AUDIT

County of Yolo

Waste Tire Enforcement Assistance Grants

Final Audit Report

**Grants TEA09-03-0007, TEA11-04-0019
And
TEA12-05-0037**

**For the Period June 30, 2004
through June 30, 2007**

**Prepared By:
California Integrated Waste Management Board
Audits and Evaluations Unit**

March 2009

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PREFACE

The California Integrated Waste Management Board awarded TEA9-03-0007, TEA11-04-0019, and TEA12-05-0037, Waste Tire Enforcement Assistance Grants to Yolo County (County). These grant agreements were funded by the Tire Recycling Fund.

The grant agreements were as follows:

Grant Agreement	Amount	Audit Period
TEA 9-03-0007	\$ 84,481.00	06/30/04 – 06/30/05
TEA11-04-0019	\$ 67,140.06	06/30/05 – 06/30/06
TEA12-05-0037	\$ 66,742.00	06/30/06 – 06/30/07

The objective of these audits was to determine the County's compliance with the grant agreements. The audits also assessed the County's compliance with fiscal and statutory requirements, as well as a review of internal controls.

This report is intended for the information and use of CIWMB and County management. However, this report is a matter of public record, and its distribution is not limited.

STAFF:

Mary Berkowitz
Auditor

AUDITOR'S REPORT

Mr. Mark Leary, Executive Director
California Integrated Waste Management Board
1001 I Street, MS-25A
Sacramento, CA 95814

The Audits and Evaluations Unit conducted audits of Yolo County's (County) Waste Tire Enforcement Assistance Grants. Public Resources Code, Section 48657, requires the California Integrated Waste Management Board (CIWMB) conduct a selective audit of entities to determine whether grants and recycling incentives are being paid out properly. This audit report meets this statutory requirement and is intended for the information and use of CIWMB and County management.

This audit included a review of receipts, expenditures, internal controls, and compliance with the grant agreement provisions for:

- TEA9-03-0007, June 30, 2004 through June 30, 2005
- TEA11-04-0019, June 30, 2005 through June 30, 2006
- TEA12-05-0037, June 30, 2006 through June 30, 2007

To summarize grant receipts and expenditures, Statements of Revenue and Expenditures were prepared for these agreements executed between CIWMB and the County. These Statements were prepared from County records and are the responsibility of County management. The audit responsibility is to provide management reassurance on the propriety of grant payments as represented by these Statements.

The audit was conducted in accordance with the *International Standards for the Professional Practice of Internal Auditing*, issued by the Institute of Internal Auditors. These standards require that we plan and perform the audits to provide reasonable assurance as to whether the County is compliant with the requirements of the grant agreements. An audit includes examining, on a substantive and control test basis, evidence supporting sample amounts listed in the Statements and grant compliance disclosures.

As part of the audits, the County did provide a management representation letter. This letter is to confirm the County's representations provided to us explicitly or implicitly, indicate and document the continuing appropriateness of such representations, and reduce the possibility of misunderstanding concerning the matters that are the subject of the representations.

Compliance

The Statements represent fairly, in all material respects, the claimed and audited revenue and expenditures for the grant agreements.

As part of obtaining reasonable assurance on the Statements, we performed tests of the County's compliance with certain regulations and the grant agreements. The results of our tests disclosed compliance with grant agreement requirements.

Management Controls

In planning and performing our audit, we considered the County's internal control over financial reporting in order to determine our auditing procedures on the Statements and not to provide assurance on the internal control over financial reporting.

This report is intended solely for the information and use of the CIWMB and County management and is not intended to be, and should not be, used by anyone other than these specified parties. However, this report is a matter of public record, and its distribution is not limited.

Susan Villa, Branch Manager
Fiscal Services Branch
(916) 341-6092

March 18, 2009

STATEMENT OF REVENUE AND EXPENDITURES

County of San Joaquin
Waste Tire Enforcement Grant
TEA9-03-0007
For the Period June 30, 2004 through June 30, 2005

	<u>Claimed</u>	<u>Audited</u>	<u>Questioned</u>
Revenue:			
State Grant	\$84,481.00	\$84,481.00	\$0.00
Disencumbered	\$38,885.92	\$38,885.92 *	\$0.00
Total Revenue	<u>\$45,595.08</u>	<u>\$45,595.08</u>	<u>\$0.00</u>
 Expenditures:			
Compliance/Inspection/Visit/Enforcement	45,058.00	45,058.00	0.00
Equipment	537.08	537.08	0.00
Total Expenditures	<u>\$45,595.08</u>	<u>\$45,595.08</u>	<u>\$0.00</u>
 Amount Expenditures are Over Revenues	<u>\$0.00</u>	<u>\$0.00</u>	<u>\$0.00</u>

* \$38,885.92 of the \$84,481 awarded was not used and disencumbered.

The accompanying notes are an integral part of this statement.

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STATEMENT OF REVENUE AND EXPENDITURES

County of San Joaquin
Waste Tire Enforcement Grant
TEA11-04-0019
For the Period June 30, 2005 through June 30, 2006

	<u>Claimed</u>	<u>Audited</u>	<u>Questioned</u>
Revenue:			
State Grant	\$67,140.06	\$67,140.06	\$0.00
Disencumbered	\$30,760.06	\$30,760.06 *	\$0.00
Total Revenue	<u>\$36,380.00</u>	<u>\$36,380.00</u>	<u>\$0.00</u>
Expenditures:			
Administrative Costs	\$0.00	\$0.00	\$0.00
Compliance/Inspection/Visit/Enforcement	35,218.00	35,218.00	0.00
Education	0.00	0.00	0.00
Equipment	0.00	0.00	0.00
Training	1,162.00	1,162.00	0.00
Total Expenditures	<u>\$36,380.00</u>	<u>\$36,380.00</u>	<u>\$0.00</u>
Amount Expenditures are Over Revenues	<u>\$0.00</u>	<u>\$0.00</u>	<u>\$0.00</u>

* \$30,760.06 of the \$67,140.06 awarded was not used and disencumbered.

The accompanying notes are an integral part of this statement.

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STATEMENT OF REVENUE AND EXPENDITURES

County of San Joaquin
Waste Tire Enforcement Grant
TEA12-05-0037
For the Period June 30, 2006 through June 30, 2007

	<u>Claimed</u>	<u>Audited</u>	<u>Questioned</u>
Revenue:			
State Grant	\$66,742.00	\$66,742.00	\$0.00
Disencumbered	<u>\$20,075.00</u>	<u>\$20,075.00</u>	<u>\$0.00</u>
Total Revenue	<u><u>\$46,667.00</u></u>	<u><u>\$46,667.00 *</u></u>	<u><u>\$0.00</u></u>
Expenditures:			
Administrative Costs	\$0.00	\$0.00	\$0.00
Compliance/Inspection/Visit/Enforcement	45,914.00	45,914.00	0.00
Education	0.00	0.00	0.00
Equipment	116.00	116.00	0.00
Training	16.00	16.00	0.00
Transportation	<u>631.00</u>	<u>631.00</u>	
Total Expenditures	<u><u>\$46,677.00</u></u>	<u><u>\$46,677.00</u></u>	<u><u>\$0.00</u></u>
Amount Expenditures are Over Revenues	<u><u>\$0.00</u></u>	<u><u>\$0.00</u></u>	<u><u>\$0.00</u></u>

* \$20,075 of the \$66,742 awarded was not used and disencumbered.

The accompanying notes are an integral part of this statement.

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NOTES TO THE STATEMENTS OF REVENUE AND EXPENDITURES

Yolo County
Waste Tire Enforcement Assistance Grants
TEA9-03-0007, TEA11-04-0019, and TEA12-05-0037
For Audit Periods of June 30, 2004 through June 30, 2007

Note 1 Description of the Reporting Entity

The County of Yolo (County), a political subdivision of the State of California governed by an elected Board of Supervisors, exercises the powers specified by the Constitution and statutes of the State. The County's reporting entity includes all significant organizations, departments, and agencies over which the County's Board exercises oversight and budgeting responsibilities. The County's Environmental Health Department has general responsibility for this grant project. The integrated waste management enforcement programs are primarily carried out through Local Enforcement Agencies with the California Integrated Waste Management Board acting/serving as Enforcement Assistance.

Note 2 Program Information

The California Integrated Waste Management Board (CIWMB) administers the California Solid Waste Disposal Regulatory Reform Act which includes the disbursement of Waste Tire Enforcement Assistance Grants (TEA) from the Tire Recycling Fund.

The Legislature enacted the California Solid Waste Disposal Regulatory Reform Act (Public Resources Code Sections 43200 – 43222 and 43230 – 43232). The TEA program awards grants to local enforcement agencies that use the funds to implement waste tire collection and recycling programs. The intent of the grant funds is to enhance the Local Enforcement Assistance program by providing funds to acquire additional equipment, supplies, training, and technical support. Effectiveness of the program is measured by monitoring activities and applications that result in reduced landfill disposal or stockpiling of waste tires.

Note 3 Description of Waste Tire Enforcement Assistance Grants

The County claimed reimbursement of \$45,595.08 for TEA9-03-0007, \$36,380.00 for TEA11-04-0019, and \$46,677.00 for TEA12-05-0037, for solid waste local enforcement agencies within the County's jurisdiction to investigate illegal tire activities, perform waste tire facilities inspections, and survey tire dealers, auto dismantlers, tire haulers, and other points of waste tire generation to ensure compliance with all applicable laws and regulations. The grant terms covered the overall period June 30, 2004, through June 30, 2007. Disencumbered was \$38,885.92 from TEA9-03-0007, \$30,760.06 from TEA11-04-0019, and \$20,075 from TEA12-05-0037.

The County's primary goals for the Waste Tire Enforcement Assistance Grant were to provide, and enforce, requirements for compliant disposal and storage of waste tires. The County is responsible for the identification, investigation, and enforcement of waste tire generators, transporters, and facilities.

Note 4 Summary of Significant Accounting Policies

A. Basis of Presentation

The Statements presented in this report were prepared from the County's accounts and financial transactions. The Statements summarize revenue and expenditures recorded by the County during the reporting periods referenced in Note 3. The Statements are not intended to represent all of the County's financial activities. The Statements summarize the County's transactions pertaining to TEA9-03-0007, TEA11-04-0019 and TEA12-05-0037, and are not intended to represent all of the County's financial activities.

B. Basis of Accounting

The County's accounts are maintained on the modified accrual basis and in accordance with the principles of fund accounting. Under the modified accrual basis, revenues are recorded as they become measurable and available, and expenditures are recorded at the time the liabilities are incurred.